

Steps to Follow for Completion of Statement of Economic Interests (SEI or FPPC Form 700)

1. Open the Department of Justice Conflict of Interest Code, which is available online at http://ag.ca.gov/conflict_interest/leaving_office.php.
2. Find your Division and job classification in the Conflict of Interest Code.
3. Next to your job classification, find your Disclosure Category.
4. Consult the appropriate page in the Conflict of Interest Code that describes your Disclosure Category (see pages 8 – 11 in the Conflict of Interest Code) and determine the economic interests that your Disclosure Category requires you to report.
5. Open the Statement of Economic Interests form, which you received in the mailing from the SEI Form 700 Filing Officer. The form is also located at http://ag.ca.gov/conflict_interest/leaving_office.php.
6. Read the instructions on the Statement of Economic Interests form. Additional detailed instructions about the Statement of Economic Interests form and a summary of the rules on gifts, travel and loans are available online at http://ag.ca.gov/conflict_interest/leaving_office.php.

Complete the Cover Page and, if necessary depending on your Disclosure Category, any appropriate Schedules.

Note that: **(a) You may use your former work address and phone number. Personal address and phone number are not required on the cover page.**

(b) Only Disclosure Categories 1, 5, 6, 10, 12, and 18 are required to report any real estate interests, meaning that employees in the remaining Disclosure Categories will in no case have to complete Section 4 of Schedule A-2, or Schedule B.

(c) For employees in Disclosure Categories 3 and 6, which include ERA, HEW, HQE, Land Law, and Licensing employees, a client list is available online at http://ag.ca.gov/conflict_interest/leaving_office.php.

7. Print the Cover Page and any Schedules you have completed.
8. Date and sign where indicated on the Cover Page and make a copy of the Cover Page and any Schedules you have completed. If you have completed one or more Schedules, staple

them to each Cover Page so that you identical versions of the Cover Page and attached Schedules.

9. File the **original, signed** Cover Page and any attached Schedules **within 30 days** with:

Bill Holtz
Conflict of Interest Code Filing Officer
Business Services Section, D-8
Department of Justice
1300 I Street, 8th Floor
Sacramento, CA 95814

10. Retain the other copy for your records.

11. Please avoid the following common mistakes:

- a. Even if you have no reportable interests on any Schedule, you must still complete and file the Cover Page (indicating by checking the appropriate box that you have “No reportable interests on any schedule”).
 - b. Remember to check the box on the Cover Page indicating how many pages (Cover Page plus Schedules) you are filing.
 - c. Do not forget to date and sign the Cover Page. (Under the law, the form is not officially “filed” until an original, signed version is filed.)
 - d. File only the original, signed version of the Cover Page, with attached Schedules, if any. We cannot accept a copy.
 - e. Do not fax your filing.
12. You may be required to pay a **\$100 penalty** if you do not file your form by the legal deadline for filing. Also, continued failure to file could result in a **substantial fine from the FPPC that could be as high as \$5,000**.
13. If you have any questions about the Statements of Economic Interests, please contact Deputy Attorney General Jennifer A Lee at jenniferA.lee@doj.ca.gov.

SOME COMMON AREAS OF MISUNDERSTANDING

Some common areas of misunderstanding regarding the Statement of Economic Interests are economic interests held by a spouse or dependent child, gift disclosure, and gift limits. Informational tips on these issues are discussed below.

Family Interests

Your economic interests include interests in real property and investments held by your spouse or dependent children. The term “spouse” includes registered domestic partners recognized by state law. This is true even if your spouse’s interests are separate property. Thus, if you, your spouse or dependent children owns 10% or more of a business entity or trust, you also own a proportionate amount of that entity’s or trust’s real property or investment holdings. However, you have no disclosable interest in your spouse’s separate property income or income of your dependent children. You do have a 50% interest in your spouse’s community property income.

Gifts

A gift received by a spouse or child (dependent and some students who are 18-23) is considered a gift to you if you will receive a financial benefit from the gift (i.e. the gift is something a family would normally provide for ordinary care and support), use the gift (other than minimal use), or control the gift (e.g., request tickets for family member), unless your spouse or child has an independent established relationship with the donor, the donor does not lobby the state, and the donor is not involved in a governmental decision in which you will participate or have participated during the 12-month period before receipt of the gift.

As a designated employee, you are required to disclose gifts and you are subject to the “gift limit.” You must disclose all gifts that aggregate \$50 or more in a calendar year from sources specified in your disclosure category. You are also subject to a “gift limit” per calendar year for each source that is covered by your disclosure category. Please note that since the gift limit is indexed to inflation every two years, effective January 1, 2011, the gift limit is \$420 from a single source during a calendar year. Finally, there is no geographic limitation on sources of gifts. Therefore, a gift of a meal from an out-of-state college roommate, or a ticket from a company not doing business in California is still subject to disclosure and to the gift limit if the source is covered by your disclosure category.

For example, if you are assigned Disclosure Category 1 or 2, all sources of gifts are subject to these rules, except those that are statutorily exempt (e.g., various relatives; see detailed instructions on Schedule D). Accordingly, a \$450 round-trip airline ticket received from your college roommate in 2009 to attend a daughter’s wedding would be prohibited because it exceeds the \$420 limit and your former roommate is not an exempt relative. You would need to either decline the ticket or reimburse the roommate sufficiently to bring the value below the gift limit. Even if the gift were brought below the gift limit, you still would need to report it so long as it and any other gifts from the roommate totaled \$50 or more.

If you are assigned Disclosure Category 11, the sources of gifts subject to the rules are “business entities that engage in the manufacture, marketing, distribution or sale of tobacco products.” Your college roommate’s gift of airline tickets is not subject to disclosure or the gift limit unless

your roommate is engaged in the tobacco industry. Conversely, a gift of four tickets to a concert from a tobacco company or distributor is subject to the rules even if they operate exclusively out of state.